

SENATE BILL NO. 253

INTRODUCED BY HIMSL, REGAN

BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

IN THE SENATE

JANUARY 30, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON FINANCE & CLAIMS.
FEBRUARY 16, 1987	COMMITTEE RECOMMEND BILL DO PASS AS AMENDED. REPORT ADOPTED.
FEBRUARY 17, 1987	PRINTING REPORT.
FEBRUARY 18, 1987	SECOND READING, DO PASS.
FEBRUARY 19, 1987	ENGROSSING REPORT.
FEBRUARY 20, 1987	THIRD READING, PASSED. AYES, 47; NOES, 2.
	TRANSMITTED TO HOUSE.

IN THE HOUSE

FEBRUARY 23, 1987	INTRODUCED AND REFERRED TO COMMITTEE ON APPROPRIATIONS.
MARCH 3, 1987	COMMITTEE RECOMMEND BILL BE CONCURRED IN. REPORT ADOPTED.
MARCH 4, 1987	ON MOTION, CONSIDERATION PASSED UNTIL THE 60TH LEGISLATIVE DAY.
MARCH 17, 1987	ON MOTION, TAKEN FROM SECOND READING AND REREFERRED TO COMMITTEE ON APPROPRIATIONS.
MARCH 20, 1987	ON MOTION, TAKEN FROM COMMITTEE ON APPROPRIATIONS AND PLACED ON SECOND READING.
MARCH 28, 1987	SECOND READING, CONCURRED IN.

MARCH 30, 1987

THIRD READING, CONCURRED IN.  
AYES, 97; NOES, 0.

RETURNED TO SENATE.

IN THE SENATE

MARCH 31, 1987

RECEIVED FROM HOUSE.

SENT TO ENROLLING.

1 *Senate* BILL NO. *253*  
 2 INTRODUCED BY *Shinnel Foss*  
 3 BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE

4  
 5 A BILL FOR AN ACT ENTITLED: "AN ACT TO HAVE SPECIAL REVENUE  
 6 ACCOUNTS OF THE STATE FUND STRUCTURE EXAMINED TO DETERMINE  
 7 IF THE UNOBLIGATED BALANCES OF SUCH ACCOUNTS SHOULD BE  
 8 TRANSFERRED TO THE GENERAL FUND AND WHETHER SUCH ACCOUNTS  
 9 SHOULD CONTINUE TO EXIST OR BE MODIFIED BASED UPON CERTAIN  
 10 CRITERIA; AND TO PROVIDE THAT THE DEPARTMENT OF  
 11 ADMINISTRATION CONDUCT SUCH EXAMINATIONS AND REPORT THE  
 12 FINDINGS AND RECOMMENDATIONS TO THE LEGISLATIVE FINANCE  
 13 COMMITTEE."

14  
 15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

16 Section 1. Review of state special revenue accounts.

17 (1) Each biennium, the department of administration shall  
 18 examine all state special revenue accounts as required by  
 19 this section and report the findings and recommendations to  
 20 the legislative finance committee not later than June 1 of  
 21 the year preceding a regular session of the legislature.

22 (2) The department shall examine restrictions against  
 23 the transfer of unobligated balances in state special  
 24 revenue accounts to the general fund. If such restrictions  
 25 are considered unnecessary by the department and if they may

1 be eliminated by administrative action, the department shall  
 2 to the fullest extent possible eliminate such restrictions  
 3 and require the transfer of unobligated balances in the  
 4 accounts to be made to the general fund, either on an annual  
 5 or biennial basis. If administrative action is unavailable,  
 6 the department shall make recommendations for legislative  
 7 action.

8 (3) The department shall examine all state special  
 9 revenue accounts to determine if they should continue to  
 10 exist or be eliminated or modified to provide better program  
 11 operation or fiscal control. In conducting the examination,  
 12 the department shall consider whether an account:

13 (a) is accurately classified as a state special  
 14 revenue account;

15 (b) is required by the Montana constitution or by  
 16 statute;

17 (c) operates in compliance with the statutes that  
 18 established the program and with legislative intent;

19 (d) is to be used for funding a continuing program;

20 (e) funds an activity that provides a direct benefit  
 21 to the source of the account revenue;

22 (f) receives an amount of earmarked revenue that is  
 23 equal to or close to the expenditure required for the  
 24 activity funded by the account;

25 (g) allows the funded program to operate without



1 supplemental general funds; and  
2 (h) is cost-effective based on the total revenues  
3 deposited in the account and on the incremental accounting  
4 costs, budgeting costs, and legislative efforts in reviewing  
5 and appropriating for a separate accounting entity.

-End-

APPROVED BY COMM. ON  
FINANCE AND CLAIMS

1                   SENATE BILL NO. 253  
2                   INTRODUCED BY HIMSL, REGAN  
3                   BY REQUEST OF THE LEGISLATIVE FINANCE COMMITTEE  
4  
5                   A BILL FOR AN ACT ENTITLED: "AN ACT TO HAVE SPECIAL REVENUE  
6                   ACCOUNTS AND PROPRIETARY ACCOUNTS OF THE STATE FUND  
7                   STRUCTURE EXAMINED TO DETERMINE IF THE UNOBLIGATED BALANCES  
8                   OF SUCH ACCOUNTS SHOULD BE TRANSFERRED TO THE GENERAL FUND  
9                   AND WHETHER SUCH ACCOUNTS SHOULD CONTINUE TO EXIST OR BE  
10                  MODIFIED BASED UPON CERTAIN CRITERIA; AND TO PROVIDE THAT  
11                  THE DEPARTMENT OF ADMINISTRATION CONDUCT SUCH EXAMINATIONS  
12                  AND REPORT THE FINDINGS AND RECOMMENDATIONS TO THE  
13                  LEGISLATIVE FINANCE COMMITTEE."  
14  
15                  BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
16                  Section 1. Review of state AND OTHER special revenue  
17                  accounts AND PROPRIETARY ACCOUNTS. (1) Each biennium, the  
18                  department of administration shall examine all state AND  
19                  OTHER special revenue accounts AND PROPRIETARY ACCOUNTS as  
20                  required by this section and report the findings and  
21                  recommendations to the legislative finance committee not  
22                  later than June 1 of the year preceding a regular session of  
23                  the legislature.  
24                  (2) The department shall examine restrictions against  
25                  the transfer of unobligated balances in state AND OTHER

1                  special revenue accounts to the general fund. If such  
2                  restrictions are considered unnecessary by the department  
3                  and if they may be eliminated by administrative action, the  
4                  department shall to the fullest extent possible eliminate  
5                  such restrictions and require the transfer of unobligated  
6                  balances in the accounts to be made to the general fund,  
7                  either on an annual or biennial basis. If administrative  
8                  action is unavailable, the department shall make  
9                  recommendations for legislative action.  
10                 (3) The department shall examine all state AND OTHER  
11                 special revenue accounts AND PROPRIETARY ACCOUNTS to  
12                 determine if they should continue to exist or be eliminated  
13                 or modified to provide better program operation or fiscal  
14                 control. In conducting the examination, the department  
15                 shall consider whether an account:  
16                 (a) is accurately classified as a state special  
17                 revenue account, OTHER SPECIAL REVENUE ACCOUNT, OR  
18                 PROPRIETARY ACCOUNT;  
19                 (b) is required by the Montana constitution or by  
20                 statute;  
21                 (c) operates in compliance with the statutes that  
22                 established the program; ~~and with legislative intent;~~  
23                 ~~(d) is to be used for funding a continuing program;~~  
24                 ~~(e) funds an activity that provides a direct benefit~~  
25                 ~~to the source of the account revenue;~~

1       ~~(f)~~(D) receives an amount of earmarked revenue that is  
2 equal to or close to the expenditure required for the  
3 activity funded by the account;

4       ~~(g)~~(E) allows the funded program to operate without  
5 supplemental general funds; and

6       ~~(h) is cost-effective based on the total revenues~~  
7 ~~deposited in the account and on the incremental accounting~~  
8 ~~costs, budgeting costs, and legislative efforts in reviewing~~  
9 ~~and appropriating for a separate accounting entity.~~

10       (F) HAS ANY RESTRICTIONS AGAINST THE TRANSFER OF  
11 UNOBLIGATED BALANCES IN THE ACCOUNT TO THE GENERAL FUND.

-End-

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8 OF SUCH ACCOUNTS SHOULD BE TRANSFERRED TO THE GENERAL FUND  
9 AND WHETHER SUCH ACCOUNTS SHOULD CONTINUE TO EXIST OR BE  
10 MODIFIED BASED UPON CERTAIN CRITERIA; AND TO PROVIDE THAT  
11 THE DEPARTMENT OF ADMINISTRATION CONDUCT SUCH EXAMINATIONS  
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20 required by this section and report the findings and  
21 recommendations to the legislative finance committee not  
22 later than June 1 of the year preceding a regular session of  
23 the legislature.

24 (2) The department shall examine restrictions against  
25 the transfer of unobligated balances in state AND OTHER

1 special revenue accounts to the general fund. If such  
2 restrictions are considered unnecessary by the department  
3 and if they may be eliminated by administrative action, the  
4 department shall to the fullest extent possible eliminate  
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6 balances in the accounts to be made to the general fund,  
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8 action is unavailable, the department shall make  
9 recommendations for legislative action.

10 (3) The department shall examine all state AND OTHER  
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16 (a) is accurately classified as a state special  
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18 PROPRIETARY ACCOUNT;

19 (b) is required by the Montana constitution or by  
20 statute;

21 (c) operates in compliance with the statutes that  
22 established the program; ~~and-with-legislative-intent;~~

23 ~~(d)--is-to-be-used-for-funding-a-continuing-program;~~

24 ~~(e)--funds-an-activity-that-provides-a-direct-benefit~~  
25 ~~to-the-source-of-the-account-revenue;~~

1       {f}{(D)} receives an amount of earmarked revenue that is  
2 equal to or close to the expenditure required for the  
3 activity funded by the account;

4       {g}{(E)} allows the funded program to operate without  
5 supplemental general funds; and

6       {h}--is--cost-effective--based--on--the--total-revenues  
7 deposited-in-the-account-and-on-the--incremental--accounting  
8 costs;-budgeting-costs;-and-legislative-efforts-in-reviewing  
9 and-appropriating-for-a-separate-accounting-entity;

10       (F) HAS ANY RESTRICTIONS AGAINST THE TRANSFER OF  
11 UNOBLIGATED BALANCES IN THE ACCOUNT TO THE GENERAL FUND.

-End-



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7 STRUCTURE EXAMINED TO DETERMINE IF THE UNOBLIGATED BALANCES  
8 OF SUCH ACCOUNTS SHOULD BE TRANSFERRED TO THE GENERAL FUND  
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8 costs,-budgeting-costs,-and-legislative-efforts-in-reviewing  
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10        {F} HAS ANY RESTRICTIONS AGAINST THE TRANSFER OF  
11 UNOBLIGATED BALANCES IN THE ACCOUNT TO THE GENERAL FUND.

-End-